



Billing Code 3410-10

DEPARTMENT OF AGRICULTURE

Office of the Secretary

Increase in Fiscal Year 2016 Specialty Sugar Tariff-Rate Quota, and Determination of Total Amounts of Fiscal Year 2017 WTO Tariff-Rate Quotas for Raw Cane Sugar and Certain Sugars, Syrups and Molasses

AGENCY: Office of the Secretary, USDA.

ACTION: Notice.

SUMMARY: The Office of the Secretary of the Department of Agriculture (the Secretary) is providing notice of an increase in the fiscal year (FY) 2016 specialty sugar tariff-rate quota (TRQ) of 20,000 metric tons raw value (MTRV). The Secretary also announces the establishment of the Fiscal Year (FY) 2017 (October 1, 2016 – September 30, 2017) in-quota aggregate quantity of raw cane sugar at 1,117,195 metric tons raw value (MTRV), and the establishment of the FY 2017 in-quota aggregate quantity of certain sugars, syrups, and molasses (also referred to as refined sugar) at 162,000 MTRV.

DATES: *Effective Date:* [INSERT DATE PUBLISHED IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Souleymane Diaby, Import Policies and Export Reporting Division, Foreign Agricultural Service, Department of Agriculture, 1400 Independence Avenue, SW, AgStop 1021, Washington, DC 20250–1021; by telephone (202) 720–2916; by fax (202) 720–0876; or by email souleymane.diaby@fas.usda.gov.

SUPPLEMENTARY INFORMATION: On June 15, 2015, USDA announced the establishment of the in-quota quantity of the FY 2016 refined sugar TRQ at 132,000 MTRV for which the sucrose content, by weight in the dry state, must have a polarimeter reading of 99.5

degrees or more (FR 80, No. 114, June 15, 2015, page 34129). This amount includes the minimum level to which the United States is committed under the WTO Uruguay Round Agreements (22,000 MTRV of which 1,656 MTRV is reserved for specialty sugar) and an additional 110,000 MTRV reserved for specialty sugars.

Pursuant to Additional U.S. Note 5 to Chapter 17 of the U.S. Harmonized Tariff Schedule (HTS) and Section 359k of the Agricultural Adjustment Act of 1938, as amended, the Secretary today increases the overall FY 2016 refined sugar TRQ by 20,000 MTRV to 152,000 MTRV. The increased amount is reserved for specialty sugar. Entry of this sugar will be permitted beginning [insert next business day after publication in the Federal Register]. The sugar entered under this tariff-rate quota is reserved for organic sugar and other specialty sugars not currently produced commercially in the United States or reasonably available from domestic sources.

The provisions of paragraph (a)(i) of the Additional U.S. Note 5, Chapter 17 in the U.S. Harmonized Tariff Schedule (HTS) authorize the Secretary to establish the in-quota tariff-rate quota (TRQ) amounts (expressed in terms of raw value) for imports of raw cane sugar and certain sugars, syrups, and molasses that may be entered under the subheadings of the HTS subject to the lower tier of duties during each fiscal year. The Office of the U.S. Trade Representative (USTR) is responsible for the allocation of these quantities among supplying countries and areas.

Section 359(k) of the Agricultural Adjustment Act of 1938, as amended, requires that at the beginning of the quota year the Secretary of Agriculture establish the TRQs for raw cane sugar and refined sugars at the minimum levels necessary to comply with obligations under international trade agreements, with the exception of specialty sugar.

Notice is hereby given that the Secretary has determined, in accordance with paragraph (a)(i) of the Additional U.S. Note 5, Chapter 17 in the HTS and section 359(k) of the 1938 Act, that an aggregate quantity of up to 1,117,195 MTRV of raw cane sugar may be entered or withdrawn from warehouse for consumption during FY 2017. This is the minimum amount to which the United States is committed under the WTO Uruguay Round Agreements. The Secretary has further determined that an aggregate quantity of 162,000 MTRV of sugars, syrups, and molasses may be entered or withdrawn from warehouse for consumption during FY 2017. This quantity includes the minimum amount to which the United States is committed under the WTO Uruguay Round Agreements, 22,000 MTRV, of which 20,344 MTRV is established for any sugars, syrups and molasses, and 1,656 MTRV is reserved for specialty sugar. An additional amount of 140,000 MTRV is added to the specialty sugar TRQ for a total of 141,656 MTRV.

Because the specialty sugar TRQ is first-come, first-served, tranches are needed to allow for orderly marketing throughout the year. The FY 2017 specialty sugar TRQ will be opened in five tranches. The first tranche, totaling 1,656 MTRV, will open October 3, 2016. All specialty sugars are eligible for entry under this tranche. The second tranche will open on October 26, 2016, and be equal to 40,000 MTRV. The third tranche of 38,344 MTRV will open on January 6, 2017. The fourth and fifth tranches of 30,000 MTRV each will open on April 7, 2017, and July 7, 2017, respectively. The second, third, fourth, and fifth tranches will be reserved for organic

sugar and other specialty sugars not currently produced commercially in the United States or reasonably available from domestic sources.

* Conversion factor: 1 metric ton = 1.10231125 short tons.

Dated: April 29, 2016.

Alexis M. Taylor,
Deputy Under Secretary,
Farm and Foreign Agricultural Services.
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